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DeSantis Steps Up Attack on ESG as Florida Bars Public Investments.

Florida's Republican-controlled Senate approved on Wednesday a bill that bans state and local governments from using environmental, social, governance criteria when selling debt or investing public money. The legislation, which had already cleared the state's House of Representatives last month, will now be brought to DeSantis for his signature.

The 44-year-old governor has attacked ESG as part of a larger conservative agenda at the center of his likely 2024 GOP presidential run. DeSantis, like other Republican officials, has criticized Wall Street's ESG policies as "woke capitalism." His administration has pulled about \$2 billion from BlackRock Inc. and singled out Chief Executive Officer Larry Fink, one of Wall Street's leading ESG advocates.

The new legislation prohibits Florida municipalities from selling bonds tied to ESG projects, as well as imposing restrictions on seeking ESG ratings. In 2022, Florida issuers sold \$13 billion of long-term bonds, making it the fourth-largest issuer in the US, behind California, New York and Texas.

The law also bars Florida's public money from being deposited in financial institutions that are deemed to pursue "social, political, or ideological interests" in their investment decisions. Florida had almost \$37 billion in state deposits, with Wells Fargo & Co. holding the biggest individual amount, \$6.5 billion, according to data from Florida's Bureau of Collateral Management.

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